

# House Bill 3525

Sponsored by Representative OWENS, Senator SMITH DB, Representative SMITH G; Representative HELM (at the request of Community Renewable Energy Association)

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Requires power purchase agreements to permit qualifying facilities to provide energy or energy and capacity to third parties during periods of emergency.

Requires qualifying facility to prioritize provision of energy to energy-dependent critical or essential public service providers during period of emergency if qualifying facility provides energy to third parties during period of emergency.

Defines "period of emergency."

## A BILL FOR AN ACT

1  
2 Relating to the provision of energy during a period of emergency; creating new provisions; and  
3 amending ORS 758.535.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1. Section 2 of this 2023 Act is added to and made a part of ORS 758.505 to**  
6 **758.555.**

7 **SECTION 2. (1) As used in this section, "period of emergency" means the period of time**  
8 **during which an event or circumstance causes a nonroutine disruption of electricity services**  
9 **of severe impact or duration.**

10 **(2) The rules or policies adopted under ORS 758.535 (2), to the extent permitted under the**  
11 **requirements of the Federal Energy Regulatory Commission for qualifying facilities, must:**

12 **(a) Permit a qualifying facility to provide energy or energy and capacity to third parties**  
13 **during a period of emergency;**

14 **(b) Require a qualifying facility to prioritize the provision of energy or energy and ca-**  
15 **capacity to third parties that provide energy-dependent critical or essential public services,**  
16 **including but not limited to law enforcement, fire protection, health and medical services,**  
17 **sanitation services, public works and engineering and public information and communi-**  
18 **cations, if the qualifying facility provides energy or energy and capacity to third parties**  
19 **during a period of emergency; and**

20 **(c) Continue to qualify a qualifying facility that provides energy or energy and capacity**  
21 **to third parties during a period of emergency as a qualifying facility and not consider the**  
22 **qualifying facility to be a retail utility for providing energy or energy and capacity to third**  
23 **parties during a period of emergency.**

24 **SECTION 3. ORS 758.535 is amended to read:**

25 758.535. (1) The Public Utility Commission shall establish minimum criteria that a cogeneration  
26 facility or small power production facility must meet to qualify as a qualifying facility under ORS  
27 543.610, 757.005 and 758.505 to 758.555.

28 (2) The terms and conditions for the purchase of energy or energy and capacity from a qualify-

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 ing facility shall:

2 (a) Be established by rule by the commission if the purchase is by a public utility;

3 (b) Be adopted by an electric cooperative or people's utility district according to the applicable  
4 provision of ORS chapter 62 or 261; and

5 (c) Be established by a municipal utility according to the requirements of the municipality's  
6 charter and ordinance.

7 (3) The rules or policies adopted under subsection (2) of this section also shall:

8 (a) Establish safety and operating requirements necessary to adequately protect all systems, fa-  
9 cilities and equipment of the electric utility and qualifying facility;

10 (b) Be consistent with applicable standards required by the Public Utility Regulatory Policies  
11 Act of 1978 (P.L. 95-617); *[and]*

12 (c) **Be consistent with section 2 of this 2023 Act; and**

13 *[(c)]* (d) Be made available to the public at the commission's office.

14 **SECTION 4. Section 2 of this 2023 Act and the amendments to ORS 758.535 by section 3**  
15 **of this 2023 Act apply to agreements for the purchase of energy or energy and capacity en-**  
16 **tered into or renewed on or after the effective date of this 2023 Act.**

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